



3013 (02-09-04)

ANNUAL REPORT

OF

Name: BROWN DEER WATER PUBLIC UTILITY

Principal Office: 4800 W. GREEN BROOK DRIVE
BROWN DEER, WI 53223-2406

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: BROWN DEER WATER PUBLIC UTILITY**Utility Address:** 4800 W. GREEN BROOK DRIVE
BROWN DEER, WI 53223-2406**When was utility organized?** 11/18/1957**Report any change in name:****Effective Date:****Utility Web Site:** WWW.VIL.BROWN-DEER.WI.US

Utility employee in charge of correspondence concerning this report:

Name: WEB PAGE**Title:****Office Address:**ADDRESS
BROWN DEER, WI 53223**Telephone:** (414) 371 - 3080**Fax Number:** (414) 371 - 3045**E-mail Address:** WWW.VIL.BROWN-DEER.WI.US

Individual or firm, if other than utility employee, preparing this report:

Name: MR. DONALD ESCHE**Title:** COMMISSIONER**Office Address:**4800 W. GREEN BROOK DRIVE
BROWN DEER, WI 53223**Telephone:** (414) 371 - 3080**Fax Number:** (414) 371 - 3045**E-mail Address:** MGLDOSKI@VIL.BROWN-DEER.WI.US

President, chairman, or head of utility commission/board or committee:

Name: MR. VICTOR FRANK**Title:** PRESIDENT**Office Address:**7641 NORTH SHERMAN
BROWN DEER, WI 53223**Telephone:** (414) 354 - 8474**Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: MR. STEVEN J. HENKE, CPA**Title:****Office Address:** VIRCHOW, KRAUSE & COMPANY,LLP.
115 SOUTH 84TH ST. SUITE 400
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5342**Fax Number:** (414) 777 - 5555**E-mail Address:** SHENKE@VIRCHOWKRAUSE.COM**Date of most recent audit report:** 3/3/2003**Period covered by most recent audit:** 1/1/2002 TO 12/31/2002

Names and titles of utility management including manager or superintendent:

Name: MR MARTIN GLODOSKI**Title:** SUPERINTENDENT**Office Address:**4800 W. GREEN BROOK DRIVE
BROWN DEER, WI 53223-2406**Telephone:** (414) 371 - 3080**Fax Number:** (414) 371 - 3045**E-mail Address:** MGLODOSKI@VIL.BROWN-DEER.WI.US

Name of utility commission/committee: BROWN DEER WATER COMMISSION

Names of members of utility commission/committee:

MR. WALTER BAEHR, SECRETARY

MR. DONALD ESCHE

MR. VICTOR FRANK, PRESIDENT

MR. TIMOTHY SCHILZ

MR. GERALD SCHWERM

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?**NO**Date of Ordinance:** 

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone: () -

Fax Number: () -

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	1,375,795	1,305,914	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	1,060,011	866,868	2
Depreciation Expense (403)	167,594	165,013	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	170,400	171,798	5
Total Operating Expenses	1,398,005	1,203,679	
Net Operating Income	(22,210)	102,235	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(22,210)	102,235	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	17,499	43,620	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	17,499	43,620	
Total Income	(4,711)	145,855	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	0	0	13
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	(4,711)	145,855	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	14
Amortization of Debt Discount and Expense (428)	354	574	15
Amortization of Premium on Debt--Cr. (429)			16
Interest on Debt to Municipality (430)	16,125	17,887	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)			19
Total Interest Charges	16,479	18,461	
Net Income	(21,190)	127,394	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,277,658	1,150,264	20
Balance Transferred from Income (433)	(21,190)	127,394	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	1,256,468	1,277,658	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST EARNED ON CASH DEPOSITS	17,499	5
Total (Acct. 419):	17,499	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		9
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		10
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		12
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	0				0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold	0				0	2
Payroll	0				0	3
Materials	0				0	4
Taxes	0				0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	1,375,795	0	0	0	1,375,795	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	2,074				2,074	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	1,373,721	0	0	0	1,373,721	

DISTRIBUTION OF TOTAL PAYROLL

1. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
2. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
3. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	156,828		156,828	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses	29,912		29,912	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	15,355		15,355	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	202,095	0	202,095	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (101-107)	9,010,087	8,176,493	1
Less: Accumulated Provision for Depreciation and Amortization (111-116)	2,651,515	2,501,275	2
Net Utility Plant	6,358,572	5,675,218	
Utility Plant Acquisition Adjustments (117-118)			3
Other Utility Plant Adjustments (119)			4
Total Net Utility Plant	6,358,572	5,675,218	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	5,246	5,246	5
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	5,246	5,246	6
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	7
Other Investments (124)	0	0	8
Special Funds (125-128)	560,577	433,452	9
Total Other Property and Investments	560,577	433,452	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	257,987	67,625	10
Special Deposits (132-134)	0	0	11
Working Funds (135)			12
Temporary Cash Investments (136)	386,485	719,383	13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	47,558	63,286	15
Other Accounts Receivable (143)	0	0	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	17
Receivables from Municipality (145)	288,486	285,675	18
Materials and Supplies (151-163)	25,818	29,571	19
Prepayments (165)	0	0	20
Interest and Dividends Receivable (171)			21
Accrued Utility Revenues (173)			22
Miscellaneous Current and Accrued Assets (174)			23
Total Current and Accrued Assets	1,006,334	1,165,540	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	3,976	4,329	24
Other Deferred Debits (182-186)	423,218	0	25
Total Deferred Debits	427,194	4,329	
Total Assets and Other Debits	8,352,677	7,278,539	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	149,117	149,117	26
Appropriated Earned Surplus (215)			27
Unappropriated Earned Surplus (216)	1,256,468	1,277,658	28
Total Proprietary Capital	1,405,585	1,426,775	
LONG-TERM DEBT			
Bonds (221-222)	0	0	29
Advances from Municipality (223)	375,000	398,400	30
Other Long-Term Debt (224)	0	0	31
Total Long-Term Debt	375,000	398,400	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	32
Accounts Payable (232)	701,185	325,852	33
Payables to Municipality (233)	109,157	13,912	34
Customer Deposits (235)			35
Taxes Accrued (236)	164,448	167,112	36
Interest Accrued (237)	4,014	4,218	37
Matured Long-Term Debt (239)			38
Matured Interest (240)			39
Tax Collections Payable (241)			40
Miscellaneous Current and Accrued Liabilities (242)	3,871	2,921	41
Total Current and Accrued Liabilities	982,675	514,015	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	42
Customer Advances for Construction (252)			43
Other Deferred Credits (253)	55,498	65,433	44
Total Deferred Credits	55,498	65,433	
OPERATING RESERVES			
Property Insurance Reserve (261)			45
Injuries and Damages Reserve (262)			46
Pensions and Benefits Reserve (263)	25,121	25,616	47
Miscellaneous Operating Reserves (265)			48
Total Operating Reserves	25,121	25,616	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	5,508,798	4,848,300	49
Total Liabilities and Other Credits	8,352,677	7,278,539	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (101)	9,010,087	0	0	0	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)					5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)					7
Total Utility Plant	9,010,087	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (111)	2,651,515	0	0	0	8
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					9
Accumulated Provision for Depreciation of Property Held for Future Use (113)					10
Accumulated Provision for Amortization of Utility Plant in Service (114)					11
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					12
Accumulated Provision for Amortization of Property Held for Future Use (116)					13
Total Accumulated Provision	2,651,515	0	0	0	
Net Utility Plant	6,358,572	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 111)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	2,501,275				2,501,275	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	167,594				167,594	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	32,220				32,220	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage	11,157				11,157	10
Other credits (specify):						11
					0	12
Total credits	210,971	0	0	0	210,971	13
Debits during year						14
Book cost of plant retired	60,731				60,731	15
Cost of removal	0				0	16
Other debits (specify):						17
					0	18
Total debits	60,731	0	0	0	60,731	19
Balance End of Year	2,651,515	0	0	0	2,651,515	20
						21
						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
OLD PUMP HOUSES	5,246			5,246	2
Total Nonutility Property (121)	5,246	0	0	5,246	
Less accum. prov. depr. & amort. (122)	5,246			5,246	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel (151)					0	0	1
Fuel stock expenses (152)					0	0	2
Plant mat. & oper. sup. (154)					0	0	3
Total Electric Utility					<u>0</u>	<u>0</u>	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility (154)	25,818	29,571	2
Sewer utility (154)		0	3
Heating utility (154)		0	4
Gas utility (154)		0	5
Merchandise (155)		0	6
Other materials & supplies (156)		0	7
Stores expense (163)		0	8
Total Materials and Supplies	<u>25,818</u>	<u>29,571</u>	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1992 G.O. NOTES	0	428	0	1
1999 G.O. NOTES	353	428	3,976	2
Total			3,976	
Unamortized premium on debt (251)				
NONE			0	3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	149,117	1
Changes during year (explain):		
NONE	0	2
Balance end of year	149,117	

BONDS (ACCTS. 221 AND 222)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
Total Reacquired Bonds (Account 222)				0 1

Net amount of bonds outstanding December 31: 0

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
G.O. NOTES	04/01/1999	04/01/2014	4.20%	375,000	1
Total for Account 223				375,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	167,112	1
Accruals:		
Charged water department expense	180,647	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	180,647	
Taxes paid during year:		
County, state and local taxes	167,112	6
Social Security taxes	14,938	7
PSC Remainder Assessment	1,261	8
Other (explain):		
NONE		9
Total payments and other debits	183,311	
Balance end of year	164,448	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
	0			0	2
99 G.O. NOTES	4,218	16,125	16,329	4,014	3
Subtotal	4,218	16,125	16,329	4,014	
Other Long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	4,218	16,125	16,329	4,014	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	4,848,300	0	0	0	0	4,848,300	1
Add credits during year:							
For Services	130,648					130,648	2
For Mains	475,405					475,405	3
Other (specify):							
FOR HYDRANTS	54,445					54,445	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	5,508,798	0	0	0	0	5,508,798	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE	0	1
Total (Acct. 123):	0	
Other Investments (124):		
NONE	0	2
Total (Acct. 124):	0	
Sinking Funds (125):		
G.O. NOTES AND INTEREST RETIREMENT FUND	30,641	3
Total (Acct. 125):	30,641	
Depreciation Fund (126):		
NONE		4
Total (Acct. 126):	0	
Other Special Funds (128):		
RESERVE FOR CONSTRUCTION	219,277	5
RESERVE FOR STANDPIPE MAINTENANCE	310,659	6
Total (Acct. 128):	529,936	
Interest Special Deposits (132):		
NONE	0	7
Total (Acct. 132):	0	
Other Special Deposits (134):		
NONE	0	8
Total (Acct. 134):	0	
Notes Receivable (141):		
NONE		9
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	47,558	10
Electric		11
Sewer (Regulated)		12
Other (specify):		
NONE		13
Total (Acct. 142):	47,558	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		14
Merchandising, jobbing and contract work		15
Other (specify):		

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Accounts Receivable (143):		
NONE		16
Total (Acct. 143):	0	
Receivables from Municipality (145):		
PUBLIC FIRE PROTECTION SALES - 2002	226,496	17
DELINQUENT ACCOUNTS RECEIVABLE ON TAX ROLL	38,938	18
SEWER FUND BILLING	23,052	19
Total (Acct. 145):	288,486	
Prepayments (165):		
NONE		20
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		21
Total (Acct. 182):	0	
Preliminary Survey and Investigation Charges (183):		
NONE		22
Total (Acct. 183):	0	
Clearing Accounts (184):		
NONE		23
Total (Acct. 184):	0	
Temporary Facilities (185):		
NONE		24
Total (Acct. 185):	0	
Miscellaneous Deferred Debits (186):		
UNAMORTIZED STANDPIPE PAINTING	423,218	25
Total (Acct. 186):	423,218	
Payables to Municipality (233):		
SEWER FUND	109,157	26
Total (Acct. 233):	109,157	
Other Deferred Credits (253):		
DEFERRED RENT	55,328	27
DEFERRED INCOME	170	28
Total (Acct. 253):	55,498	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	8,590,627	0	0	0	8,590,627	1
Materials and Supplies	27,694	0	0	0	27,694	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	2,576,395	0	0	0	2,576,395	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	5,178,549	0	0	0	5,178,549	6
Other (specify):						
NONE					0	7
Average Net Rate Base	863,377	0	0	0	863,377	
Net Operating Income	(22,210)	0	0	0	(22,210)	8
Net Operating Income as a percent of Average Net Rate Base	-2.57%	N/A	N/A	N/A	-2.57%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	149,117	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	1,267,063	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	1,416,180	
Net Income		
Net Income	(21,190)	5
Percent Return on Proprietary Capital	-1.50%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

NONE

4. Estimated changes in revenues due to rate changes.

A PURCHASE WATER ADJUSTMENT RATE CHANGE WAS EFFECTIVE ON JUNE 1, 2002.

5. Obligations incurred or assumed, excluding commercial paper.

NONE

6. Formal proceedings with the Public Service Commission.

AN APPLICATION HAS BEEN FILED TO ALLOW CHARGING THE PUBLIC FIRE PROTECTION SALES ON THE WATER BILLS. A PUBLIC HEARING IS SET FOR MARCH 11, 2003.

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-19)

Account #186: Amortization of standpipe painting costs was authorized in a letter from the P.S.C. dated Feb.10,2003.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

received by email 3/19/03:
March 19, 2003

Dear Ms. Engelke:

This is in reply to your March 12, e-mail and questions related to our 2002 annual report.

I erroneously omitted a footnote for page W-8 relative to account 346(Meters) and 346.1 (A.M.R. Modules) which are combined on W-8.

#346(Meters)- Beginning \$316,679.01

Additions-12 ¾ bronze @ \$159.20	1,910.40	
24 ¾ plastic @\$27.00	720.00	
Installation labor	3,752.94	
Retired- 24 - 5/8"		(1,501.77)
Ending	\$321,560.58	

#346.1(A.M.R. Modules)-Beginning \$401,726.36

Additions- 310 units 36,974.00

Retired - 310 units (29,010.17)

Ending \$409,690.19

The other non-local tax rate of 2.021639 was the rate charged by the Milwaukee Metropolitan Sewerage District.

Sincerely,
Mr. D. Esche
Commissioner

emailed 3/12/03:
Dear Mr. Esche:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. \$43,358 is reported in Account 348, Meters, on Page W-8. There are 36 ¾-inch meters reported on Page W-19. This averages to \$1,204 per meter. The cost range we use in our review is from \$20 to \$150 for meters less than 1-inch. Please furnish an explanation of the \$1,204 cost per meter added.
2. Head note No. 5 to the Property Tax Equivalent schedule, Page W-7, requests an explanation of other tax rate. Please provide an explanation of the other non-local tax rate reported on Page W-7 and follow this procedure in the future. This was also brought to your attention in the 2001 analytical review.

Responding to the questions posed from the analytical review does not

FINANCIAL SECTION FOOTNOTES

preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,
Elaine Engelke
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	1,286,018	1
Total Sales of Water	1,286,018	
Other Operating Revenues		
Forfeited Discounts (470)	10,910	2
Miscellaneous Service Revenues (471)	0	3
Rents from Water Property (472)	58,215	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	20,652	6
Amortization of Construction Grants (475)	0	7
Total Other Operating Revenues	89,777	
Total Operating Revenues	1,375,795	
Operation and Maintenance Expenses		
Source of Supply Expense (600-617)	607,652	8
Pumping Expenses (620-633)	5,954	9
Water Treatment Expenses (640-652)	17	10
Transmission and Distribution Expenses (660-678)	267,379	11
Customer Accounts Expenses (901-905)	33,118	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-932)	145,891	14
Total Operation and Maintenance Expenses	1,060,011	
Other Operating Expenses		
Depreciation Expense (403)	167,594	15
Amortization Expense (404-407)		16
Taxes (408)	170,400	17
Total Other Operating Expenses	337,994	
Total Operating Expenses	1,398,005	
NET OPERATING INCOME	(22,210)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	3,297	229,764	567,126	4
Commercial	286	205,420	347,066	5
Industrial	15	70,462	99,172	6
Total Metered Sales to General Customers (461)	3,598	505,646	1,013,364	
Private Fire Protection Service (462)	116		25,585	7
Public Fire Protection Service (463)	1		226,496	8
Other Sales to Public Authorities (464)	16	10,579	20,573	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	3,731	516,225	1,286,018	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)	
NONE	NONE	0	0	1
Total		0	0	

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	226,496	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	226,496	
Forfeited Discounts (470):		
Customer late payment charges	10,910	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	10,910	
Miscellaneous Service Revenues (471):		
NONE		7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
RENTAL OF SPACE ON STANDPIPE	58,215	8
Total Rents from Water Property (472)	58,215	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	8,547	10
Other (specify):		
FEES FOR RECORDS SEARCH	1,305	11
ADDITIONAL PAYMENTS FOR STANDPIPE SPACE	10,800	12
Total Other Water Revenues (474)	20,652	
Amortization of Construction Grants (475):		
NONE		13
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
SOURCE OF SUPPLY EXPENSES		
Operation Supervision and Engineering (600)		1
Operation Labor and Expenses (601)		2
Purchased Water (602)	589,991	3
Miscellaneous Expenses (603)		4
Rents (604)		5
Maintenance Supervision and Engineering (610)		6
Maintenance of Structures and Improvements (611)	2,149	7
Maintenance of Collecting and Impounding Reservoirs (612)		8
Maintenance of Lake, River and Other Intakes (613)		9
Maintenance of Wells and Springs (614)		10
Maintenance of Infiltration Galleries and Tunnels (615)		11
Maintenance of Supply Mains (616)	15,512	12
Maintenance of Miscellaneous Water Source Plant (617)		13
Total Source of Supply Expenses	607,652	
PUMPING EXPENSES		
Operation Supervision and Engineering (620)		14
Fuel for Power Production (621)		15
Power Production Labor and Expenses (622)		16
Fuel or Power Purchased for Pumping (623)	2,845	17
Pumping Labor and Expenses (624)		18
Expenses Transferred--Credit (625)		19
Miscellaneous Expenses (626)		20
Rents (627)		21
Maintenance Supervision and Engineering (630)		22
Maintenance of Structures and Improvements (631)	781	23
Maintenance of Power Production Equipment (632)		24
Maintenance of Pumping Equipment (633)	2,328	25
Total Pumping Expenses	5,954	
WATER TREATMENT EXPENSES		
Operation Supervision and Engineering (640)		26
Chemicals (641)		27

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
WATER TREATMENT EXPENSES		
Operation Labor and Expenses (642)	17	28
Miscellaneous Expenses (643)		29
Rents (644)		30
Maintenance Supervision and Engineering (650)		31
Maintenance of Structures and Improvements (651)		32
Maintenance of Water Treatment Equipment (652)		33
Total Water Treatment Expenses	17	
TRANSMISSION AND DISTRIBUTION EXPENSES		
Operation Supervision and Engineering (660)	5,562	34
Storage Facilities Expenses (661)		35
Transmission and Distribution Lines Expenses (662)	28,078	36
Meter Expenses (663)	2,645	37
Customer Installations Expenses (664)		38
Miscellaneous Expenses (665)	7,150	39
Rents (666)		40
Maintenance Supervision and Engineering (670)	5,728	41
Maintenance of Structures and Improvements (671)	167	42
Maintenance of Distribution Reservoirs and Standpipes (672)	70,578	43
Maintenance of Transmission and Distribution Mains (673)	102,346	44
Maintenance of Fire Mains (674)		45
Maintenance of Services (675)	19,240	46
Maintenance of Meters (676)	323	47
Maintenance of Hydrants (677)	14,398	48
Maintenance of Miscellaneous Plant (678)	11,164	49
Total Transmission and Distribution Expenses	267,379	
CUSTOMER ACCOUNTS EXPENSES		
Supervision (901)	9,081	50
Meter Reading Labor (902)	4,925	51
Customer Records and Collection Expenses (903)	14,483	52
Uncollectible Accounts (904)	2,074	53

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
CUSTOMER ACCOUNTS EXPENSES		
Miscellaneous Customer Accounts Expenses (905)	2,555	54
Total Customer Accounts Expenses	33,118	
SALES EXPENSES		
Sales Expenses (910)		55
Total Sales Expenses	0	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)	16,729	56
Office Supplies and Expenses (921)	12,256	57
Administrative Expenses Transferred--Credit (922)		58
Outside Services Employed (923)	48,399	59
Property Insurance (924)	7,682	60
Injuries and Damages (925)	4,463	61
Employee Pensions and Benefits (926)	44,926	62
Regulatory Commission Expenses (928)		63
Duplicate Charges--Credit (929)		64
Miscellaneous General Expenses (930)	5,056	65
Rents (931)	6,380	66
Maintenance of General Plant (932)		67
Total Administrative and General Expenses	145,891	
Total Operation and Maintenance Expenses	1,060,011	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		164,448	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		7,732	2
Net property tax equivalent		156,716	
Social Security		12,423	3
PSC Remainder Assessment		1,261	4
Other (specify): NONE			5
Total tax expense		170,400	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Milwaukee				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.237809				3
County tax rate	mills		6.049145				4
Local tax rate	mills		8.898749				5
School tax rate	mills		13.694388				6
Voc. school tax rate	mills		2.386531				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		2.021639				9
Total tax rate	mills		33.288261				10
Less: state credit	mills		2.292975				11
Net tax rate	mills		30.995286				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		8.898749				14
Combined School Tax Rate	mills		16.080919				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.979668				17
Total Tax Rate	mills		33.288261				18
Ratio of Local and School Tax to Total	dec.		0.750405				19
Total tax net of state credit	mills		30.995286				20
Net Local and School Tax Rate	mills		23.259009				21
Utility Plant, Jan. 1	\$	8,176,491	8,176,491				22
Materials & Supplies	\$	29,571	29,571				23
Subtotal	\$	8,206,062	8,206,062				24
Less: Plant Outside Limits	\$	35,110	35,110				25
Taxable Assets	\$	8,170,952	8,170,952				26
Assessment Ratio	dec.		0.841011				27
Assessed Value	\$	6,871,861	6,871,861				28
Net Local & School Rate	mills		23.259009				29
Tax Equiv. Computed for Current Year	\$	159,833	159,833				30
Tax Equivalent per 1994 PSC Report	\$	164,448					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	164,448					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	360	0	4
Structures and Improvements (311)	38,674	0	5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	39,034	0	
PUMPING PLANT			
Land and Land Rights (320)	4,970	0	12
Structures and Improvements (321)	155,090	0	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	198,531	0	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	358,591	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	6,683	0	24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			360	4
Structures and Improvements (311)			38,674	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	39,034	
PUMPING PLANT				
Land and Land Rights (320)			4,970	12
Structures and Improvements (321)			155,090	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			198,531	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	358,591	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			6,683	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	231,516	38,674	26
Transmission and Distribution Mains (343)	4,965,333	577,775	27
Fire Mains (344)	0		28
Services (345)	835,858	144,523	29
Meters (346)	718,405	43,358	30
Hydrants (348)	444,565	59,935	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	7,202,360	864,265	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	132,280	0	34
Office Furniture and Equipment (391)	16,379	0	35
Computer Equipment (391.1)	86,861	2,253	36
Transportation Equipment (392)	132,150	23,457	37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	42,923	9,676	39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	76,250	0	41
Communication Equipment (397)	4,756	0	42
SCADA Equipment (397.1)	79,583	0	43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	571,182	35,386	
Total utility plant in service directly assignable	8,171,167	899,651	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	8,171,167	899,651	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			270,190	26
Transmission and Distribution Mains (343)	12,647		5,530,461	27
Fire Mains (344)			0	28
Services (345)	1,397		978,984	29
Meters (346)	30,512		731,251	30
Hydrants (348)	352		504,148	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	44,908	0	8,021,717	
GENERAL PLANT				
Land and Land Rights (389)			0	33
Structures and Improvements (390)			132,280	34
Office Furniture and Equipment (391)			16,379	35
Computer Equipment (391.1)			89,114	36
Transportation Equipment (392)	15,823		139,784	37
Stores Equipment (393)			0	38
Tools, Shop and Garage Equipment (394)			52,599	39
Laboratory Equipment (395)			0	40
Power Operated Equipment (396)			76,250	41
Communication Equipment (397)			4,756	42
SCADA Equipment (397.1)			79,583	43
Miscellaneous Equipment (398)			0	44
Other Tangible Property (399)			0	45
Total General Plant	15,823	0	590,745	
Total utility plant in service directly assignable	60,731	0	9,010,087	
Common Utility Plant Allocated to Water Department			0	46
Total utility plant in service	60,731	0	9,010,087	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
SOURCE OF SUPPLY PLANT				
Structures and Improvements (311)	27,460	2.70%	1,044	1
Collecting and Impounding Reservoirs (312)	0			2
Lake, River and Other Intakes (313)	0			3
Wells and Springs (314)	0			4
Infiltration Galleries and Tunnels (315)	0			5
Supply Mains (316)	0			6
Other Water Source Plant (317)	0			7
Total Source of Supply Plant	27,460		1,044	
PUMPING PLANT				
Structures and Improvements (321)	106,061	3.33%	5,164	8
Boiler Plant Equipment (322)	0			9
Other Power Production Equipment (323)	0			10
Steam Pumping Equipment (324)	0			11
Electric Pumping Equipment (325)	161,026	5.00%	9,927	12
Diesel Pumping Equipment (326)	0			13
Hydraulic Pumping Equipment (327)	0			14
Other Pumping Equipment (328)	0			15
Total Pumping Plant	267,087		15,091	
WATER TREATMENT PLANT				
Structures and Improvements (331)	0			16
Water Treatment Equipment (332)	0			17
Total Water Treatment Plant	0		0	
TRANSMISSION AND DISTRIBUTION PLANT				
Structures and Improvements (341)	0			18
Distribution Reservoirs and Standpipes (342)	154,951	2.00%	5,017	19
Transmission and Distribution Mains (343)	827,895	0.93%	48,805	20
Fire Mains (344)	0			21
Services (345)	344,263	2.09%	18,965	22
Meters (346)	484,001	7.86%	59,158	23
Hydrants (348)	134,623	1.59%	7,542	24
Other Transmission and Distribution Plant (349)	0			25
Total Transmission and Distribution Plant	1,945,733		139,487	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
311					28,504	1
312					0	2
313					0	3
314					0	4
315					0	5
316					0	6
317					0	7
	0	0	0	0	28,504	
321					111,225	8
322					0	9
323					0	10
324					0	11
325					170,953	12
326					0	13
327					0	14
328					0	15
	0	0	0	0	282,178	
331					0	16
332					0	17
	0	0	0	0	0	
341					0	18
342					159,968	19
343	12,647				864,053	20
344					0	21
345	1,397				361,831	22
346	30,512		7,007		519,654	23
348	352				141,813	24
349					0	25
	44,908	0	7,007	0	2,047,319	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
GENERAL PLANT				
Structures and Improvements (390)	35,872	2.50%	3,307	26
Office Furniture and Equipment (391)	12,206	7.14%	1,169	27
Computer Equipment (391.1)	86,861	25.00%	2,253	28
Transportation Equipment (392)	32,658	10.56%	13,525	29
Stores Equipment (393)	0			30
Tools, Shop and Garage Equipment (394)	35,143	6.67%	3,186	31
Laboratory Equipment (395)	0			32
Power Operated Equipment (396)	572	6.00%	4,575	33
Communication Equipment (397)	4,075	9.09%	432	34
SCADA Equipment (397.1)	53,608	25.00%	19,895	35
Miscellaneous Equipment (398)	0	0.00%		36
Other Tangible Property (399)	0			37
Total General Plant	260,995		48,342	
Total accum. prov. directly assignable	2,501,275		203,964	
 Common Utility Plant Allocated to Water Department	 0			 38
 Total accum. prov. for depreciation	 2,501,275		 203,964	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
390					39,179	26
391					13,375	27
391.1					89,114	28
392	15,823		4,150	(4,150)	30,360	29
393					0	30
394					38,329	31
395					0	32
396					5,147	33
397					4,507	34
397.1					73,503	35
398					0	36
399					0	37
	15,823	0	4,150	(4,150)	293,514	
	60,731	0	11,157	(4,150)	2,651,515	
					0	38
	60,731	0	11,157	(4,150)	2,651,515	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January	44,597			44,597	1
February	37,886			37,886	2
March	37,422			37,422	3
April	43,370			43,370	4
May	46,226			46,226	5
June	45,920			45,920	6
July	70,559			70,559	7
August	61,545			61,545	8
September	51,171			51,171	9
October	45,332			45,332	10
November	39,887			39,887	11
December	46,604			46,604	12
Total annual pumpage	570,519	0	0	570,519	
Less: Water sold				516,225	13
Volume pumped but not sold				54,294	14
Volume sold as a percent of volume pumped				90%	15
Volume used for water production, water quality and system maintenance				862	16
Volume related to equipment/system malfunction				11,569	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				12,431	19
Volume pumped but unaccounted for				41,863	20
Percent of water lost				7%	21
If more than 15%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				2,667	23
Date of maximum: 8/4/2002					24
Cause of maximum:					25
Dry, hot weather.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				1,341	26
Date of minimum: 12/26/2002					27
Total KWH used for pumping for the year				27,600	28
If water is purchased: Vendor Name: MILWAUKEE WATER WORKS					29
Point of Delivery: 43RD & CALUMET RD. AND 60TH & BRADLEY RD.					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
NONE	0.	0	0	0	No	1

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Identification Number (b)	Intakes			Diameter in inches (e)
		Distance From Shore in feet (c)	Depth Below Surface in feet (d)		
NONE					

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	PUMP # 62	PUMP # 63	PUMP #41	1
Location	60 & BRADLEY RD.	60 & BRADLEY RD.	43 & CALUMET RD.	2
Purpose	B	B	B	3
Destination	D	D	D	4
Pump Manufacturer	AURORA	AURORA	AURORA	5
Year Installed	1980	1980	1980	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	1,900	1,900	1,500	8
Pump Motor or Standby Engine Mfr	U.S.	U.S.	U.S.	10
Year Installed	1980	1980	1980	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	25	25	50	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	PUMP #42	PUMP #43	PUMP #61	14
Location	43 & CALUMET RD.	43 & CALUMET RD.	60 & BRADLEY RD.	15
Purpose	B	B	B	16
Destination	D	D	D	17
Pump Manufacturer	AURORA	AURORA	AURORA	18
Year Installed	1980	1980	1980	19
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	20
Actual Capacity (gpm)	1,500	1,500	1,900	21
Pump Motor or Standby Engine Mfr	U.S.	U.S.	U.S.	23
Year Installed	1980	1980	1980	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	50	50	25	26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	43 & CALUMET RD.		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S		4
			5
Year constructed	1965		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	110		10
			11
Total capacity in gallons (actual)	2,000,000		12
WATER TREATMENT PLANT			13
Disinfection, type of equipment (gas, liquid, powder, other)			14
			15
Points of application (wellhouse, central facilities, booster station, other)			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	370	0	0	0	370	1
M	D	6.000	147,427	0	1,408	0	146,019	2
P	D	6.000	543	716	0	0	1,259	3
M	D	8.000	74,504	0	0	0	74,504	4
P	D	8.000	28,977	6,539	0	0	35,516	5
M	D	10.000	12,450	903	0	0	13,353	6
P	D	10.000	2,051	1,591	0	0	3,642	7
M	D	12.000	49,975	0	0	0	49,975	8
P	D	12.000	3,824	0	0	0	3,824	9
M	D	16.000	24,605	0	0	0	24,605	10
Total Within Municipality			344,726	9,749	1,408	0	353,067	
Total Utility			344,726	9,749	1,408	0	353,067	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	1,833	0	9	0	1,824		1
M	1.000	1,428	0	0	0	1,428		2
P	1.250	38	64	0	0	102		3
M	1.250	40	0	0	0	40		4
M	1.500	34	0	0	0	34		5
P	1.500		8			8		6
M	2.000	74	0	0	0	74		7
P	2.000	2	0	0	0	2		8
M	3.000	7	0	0	0	7		9
P	4.000	7	0	0	0	7		10
M	4.000	1	0	0	0	1		11
M	6.000	11	0	0	0	11		12
P	6.000	18	1	0	0	19		13
M	8.000	15	0	0	0	15		14
P	8.000	7	0	0	0	7		15
M	10.000	9	0	0	0	9		16
P	10.000	1	0	0	0	1		17
M	12.000	1	0	0	0	1		18
Total Utility		3,526	73	9	0	3,590	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	3,394	0	30	0	3,364	19	1
0.750	182	36	0	0	218	18	2
1.000	75	0	2	0	73	1	3
1.500	65	0	0	0	65	0	4
2.000	63	0	0	0	63	0	5
3.000	22	0	0	0	22	0	6
4.000	5	0	0	0	5	0	7
6.000	2	0	0	0	2	2	8
8.000	5	0	0	0	5	5	9
10.000	1	0	0	0	1	1	10
Total:	3,814	36	32	0	3,818	46	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	3,155	75	0	0	2	132	3,364	1
0.750	141	35	1	1	0	40	218	2
1.000	4	56	4	2	2	5	73	3
1.500	0	54	3	3	0	5	65	4
2.000	0	46	4	8	1	4	63	5
3.000	0	17	1	0	4	0	22	6
4.000	0	3	0	2	0	0	5	7
6.000	0	2	0	0	0	0	2	8
8.000	0	0	1	4	0	0	5	9
10.000	0	0	1	0	0	0	1	10
Total:	3,300	288	15	20	9	186	3,818	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0	0			0	1
Within Municipality	628	23	1		650	2
Total Fire Hydrants	628	23	1	0	650	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year: 1,278

Number of distribution system valves end of year: 880

Number of distribution valves operated during year: 1,841

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

A/C #616 When our standpipe was emptied prior to painting, we discovered that the valves to the tank were leaking. The cost of replacing these valves was \$11,899.00.

A/C #672 The standpipe was painted during 2002 at a cost of \$493,754. Or Feb. 10,2003 we received permission from the P.S.C. to amortize this cost over seven years,or \$70,536 each year.

A/C #673 An unusual number of main breaks occurred during the period that our standpipe was not on line. We experienced 40 main breaks during 2002.

A/C #923 We have had over 20 failures of copper services due to corrosion from the inside of the copper pipe. We have spent over \$40,000. trying to find the cause and cure for the corrosion. Several engineering firms were hired to assist us in this endeavor at a cost of \$19,463.. Our attorney has also raised his fees.

A/C #926 the entire increase is due to an increase in health and accident insurance premiums.

Water Utility Plant in Service (Page W-08)

Account #343 and 345:

During 2002, two developments installed in prior years, were dedicated to the utility. The value of these projects was determined by engineering studies and from information obtained from the owners. The value of main was \$477,023.17 while services were valued at \$128,727.86.

Another project was added in 2002 which was paid for with utility funds. Main amounted to \$100,756.87 and services,\$13,814.65. This was a relay of a previously installed system.

Accumulated Provision for Depreciation - Water (Page W-10)

Account #346(Meters) and #346.1 (A.M.R. Modules) have been combined.

#346 Beginning \$233,220.56 Rate 5.71%

Provision 18,587.07

Salvage 72.00

Retired (1,501.77)

Ending \$250,377.86

#346.1 Beginning\$250,780.03 Rate 10.0%

Provision 40,570.83

Salvage 6,935.58

Retired 29,010.17

Ending \$269,276.27

#392 A vehicle was traded in at a gain of \$4,150.00 which was credited to account #403.

Cost of vehicle \$15,823.85

Depreciation (15,823.85)

Net book value -0-

Trade in value \$4,150.00

Gain on trade in \$4,150.00

WATER OPERATING SECTION FOOTNOTES

Water Mains (Page W-17)

2494' of 10", 5089' of 8" and 706' of 6" were dedicated to the utility by the developer. 1450' of 8" and 10' of 6" were paid for with utility funds.

Water Services (Page W-18)

One 6" pvc service was installed by a customer after removing a 3/4" copper service. The cost was a quote by the contractor. 8-1 1/2" plastic services were installed replacing 8-3/4" copper services and paid for with utility funds. 64-1 1/4" pvc services were installed by a developer who advised us of his cost.
